

This document prepared by:
Smith, Phillips, Mitchell, Scott & Nowak, LLP
P.O. Box 346
Hernando, MS 38632
662-429-5041

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DESOTO COUNTY, MS
W.E. DAVIS, CH CLERK

ADDITION TO DECLARATION OF SUBDIVISION RESTRICTIONS, PROTECTIVE COVENANTS, AND EASEMENTS, LOTS 23 THROUGH 71, PHASE 2, BLUE LAKE SPRINGS SUBDIVISION, AS SHOWN IN PLAT BOOK 48, PAGE 34 AND RECORDED IN DEED BOOK 284 AT PAGE 224

THIS ADDITION TO DECLARATION OF SUBDIVISION RESTRICTIONS, PROTECTIVE COVENANTS, AND EASEMENTS, LOTS 23 THROUGH 71, PHASE 2, BLUE LAKE SPRINGS SUBDIVISION, AS SHOWN IN PLAT BOOK 48, PAGE 34 made and entered into this the 9th day of August, 2006, by HIGHLAND DEVELOPMENT, LLC, a Mississippi Limited Liability Company;

WITNESSETH:

WHEREAS, HIGHLAND DEVELOPMENT, LLC, a Mississippi Limited Liability Company, is the title owner of 27 lots in Phase 2, Blue Lake Springs Subdivision, situated in Section 32, Township 2 South, Range 9 West, DeSoto County, Mississippi, as per plat thereof recorded in Plat Book 48, Page 34, in the office of the Chancery Clerk of DeSoto County, Mississippi;

WHEREAS, Declaration of Subdivision Restrictions, Protective Covenants, and Easements, Lots 23-71, Phase 2, Blue Lake Springs, as shown in Plat Book 48, Page 34 were recorded in Deed Book 284 at page 224 of the land deed records affecting Lots 23 through 71, Phase 2, Blue Lake Springs Subdivision, situated in Section 32, Township 2 South, Range 9 West, DeSoto County, Mississippi and HIGHLAND DEVELOPMENT, LLC is the Declarant in said Declaration;

WHEREAS, paragraph 27.0 in said Declaration states that the Declarant reserves unto itself the right to impose changes or additions to these covenants at any time prior to the sale of 80% of the Lots sold by the Declarant and 80% of the Lots have not been sold at this time;

WHEREAS, Declarant is desirous of making changes and additions to said Restrictions, Protective Covenants, and Easements as filed in Deed Book 284 at page 224 of the land deed records of DeSoto County, Mississippi;

WHEREAS, the Declarant hereto does hereby publish and declare the following restrictions and covenants to be impressed upon and run with all lots located within the property, and shall be a burden upon, and a benefit to parties, and any person acquiring or owning any interest in the property and improvements thereon, which is subject to this Declaration, their grantees, successors, heirs, Executors, Administrators, devisees, and assigns in interest;

NOW THEREFORE, the Declarant, its successors and assigns do hereby publish and declare the following changes and additions to the said Restrictions, Protective Covenants, and Easements as filed in Deed Book 284 at page 224 of the land deed records of DeSoto County, Mississippi:

1.0 Dwelling Size.

- (a) "A" Lots. The living area of the main structure on any "A" Lot exclusive of garage, patios, porches which are not totally enclosed and outbuildings, shall not be less than 2,000 square feet. For a Dwelling Unit of more than one story, the main floor shall not be less than 1,200 square feet.
- (b) "B" Lots. The living area of the main structure of any "B" Lot exclusive of basement, garage, patios, porches which are not totally enclosed and outbuildings, shall not be less than 2,000 square feet. For a Dwelling Unit of more than one story, the main floor shall not be less than 1,200 square feet.
- (c) "C" Lots. The living area of the main structure of any "C" Lot exclusive of basement, garages, patios, porches which are not totally enclosed and outbuildings, shall not be less than 1,800 square feet. For a Dwelling Unit of not more than one story, the main floor shall not be less than 1,000 square feet.

No construction of a Dwelling Unit shall be commenced prior to the approval of the plans and specifications therefor by the Architectural Committee (herein referred to as the "ACC"). The construction of any Dwelling Unit shall be completed (as evidenced by the issuance of a Certificate of Occupancy therefor) within one (1) year following the date of the commencement of the construction thereof. For purposes of this Declaration, the "commencement of construction" of a Dwelling Unit shall be deemed to be the date on which any work is performed on a Lot in preparation for the construction of a Dwelling Unit, except for regular maintenance of such Lot. The maximum one year period provided for completion of construction, may be extended by the Architectural Committee upon receipt of a written request detailing circumstances prohibiting completion within the one year period. Any construction of a Dwelling Unit not completed within one year from commencement of construction or by the expiration of the extension period, if any, (date as determined by the Architectural Committee), may be subject to the following remedies of the Declarant:

- (a) Declarant may file a civil complaint in a court of competent jurisdiction requesting a court ordered mandatory injunction;
- (b) Declarant may enter the Lot and demolish the Improvement with all cost of demolition to be borne by the Lot Owner secured by a lien against the Owner's Lot hereby granted, conveyed and reserved;

- (c) Declarant may enter the Lot and complete the Improvement with all cost of completion to be borne by the Lot Owner secured by a lien against the Owner's Lot hereby granted, conveyed and reserved;
- (d) Declarant may repurchase the Lot and the incomplete Improvement thereon at a price to be determined by an MAI real estate appraiser of Declarant's choosing, the appraisal of whom shall be determinative and final.

3.0 Building Lines. Minimum building setback lines for all Lots shall be as follows:

- (a) Front: Twenty feet (20') as measured from all points along the Front Lot line.
- (b) Side: All side yard setbacks shall be no less than twenty feet (20') total on both sides as measured from all points of the side lot lines. No side shall be less than five feet (5').
- (c) Rear: All rear setbacks shall not be less than twenty-five feet (25') from all points along the rear property line.
- (d) Variances: Some lots will require variances due to terrain and will be reviewed individually on a case by case basis. Under no circumstances shall the ACC allow construction of a home beyond set back limitations without the approval of the planning commission and the appropriate recordation.

5.0 Landscape Design. Appropriate construction procedures should be followed to protect and preserve desirable trees, shrubs and other landscaping which may exist on the construction site or on adjacent or nearby sites. Mature vegetation should, whenever practical, be preserved to give landscape design an established appearance.

- (a) Irrigation systems will be underground.

16.0 Signs. No signs whatsoever (including but without limitation, commercial, political and similar signs) which are visible from neighboring property shall be erected or maintained on any Lot or any other area of the Project, except the following:

- (a) Such signs as may be required by legal proceedings;
- (b) Name and address signs, subject to the approval of the ACC as to suitability;
- (c) During the time of construction or marketing of a newly constructed Dwelling Unit, or other Improvements by individual Builders, Project marketing signs;

- (d) Not more than one double faced "for sale" sign not exceeding six (6) square feet in size per side. Any such signs shall be attractive and compatible with the design of the Project, as per the ACC, and shall comply with all applicable laws and ordinances.

27.0 Additional Deed Restrictions. Declarant reserves unto itself the right to impose changes or additions to these covenants at any time prior to the sale of 80% of the Lots sold by the Declarant which said restrictions may not be uniform, but may differ from Lot to Lot. All Lot owners shall have lake use and access to the lake, as well as all lake common areas. After the sale of 80% of the Lots sold by the Declarant, changes or additions may be made to these covenants by the approval of 60% of the Lot owners.

30.1 Lawns, Shrubs and Trees. Homeowners and lot owners shall maintain their lots in such a manner as to not detract from the appearance of the neighborhood. Grass shall not exceed a maximum of 4 inches in height. Shrubs and trees shall not interfere with driveways or walkways, nor endanger persons or structures on adjacent lots. The Blue Lake Springs Owners' Association shall notify violators of this clause after which the Owner has 5 days to correct the identified problem. Should owner fail to comply within the specified 5 day period, the Association may, without further notice, through its agents, contractors, or employees, take corrective action and the expenses for same shall be borne by the Owner and, if necessary, secured by a lien against the Owner's property. Owners going on extended travel should make arrangements for yard and lawn maintenance prior to leaving.

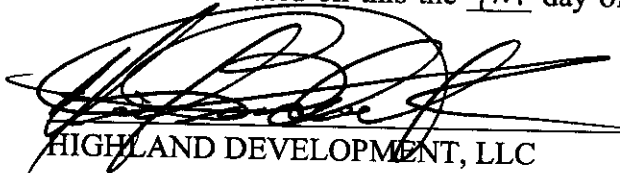
31. Membership in Blue Lake Springs Owners' Association. The Owner of a Lot shall, upon becoming an Owner, become a member of the Blue Lake Springs Owners' Association. Said membership shall automatically pass with the fee simple title to a Lot. The rights, duties, privileges, and obligations of an Owner as a member of the Association shall be those set forth, exercised and imposed in accordance with this Declaration, the Association's Articles of Incorporation and Bylaws. If the fee simple title to a Lot is held, of record, by more than one person, each such person shall be a member of the Association. Membership shall be appurtenant and may not be separated from ownership of any Lot, such ownership being the only qualification for membership. Annual dues will be assessed by the Blue Lake Springs Owners' Association.

32. Restriction against multiple rental and/or lease properties. No lot owner, either an individual or entity, shall have more than one (1) rental and/or lease property located within the subdivision at any time. Said rental and/or lease of property must be approved by The Blue Lake Springs Owners' Association.

All other subdivision restrictions, protective covenants, and easements, Lots 23-71, Phase 2, Blue Lake Springs, as shown in Plat Book 48, Page 34 shall remain unchanged and in full force and effect and shall run with Lots 23 through 71, Phase 2, Blue Lake Springs Subdivision,

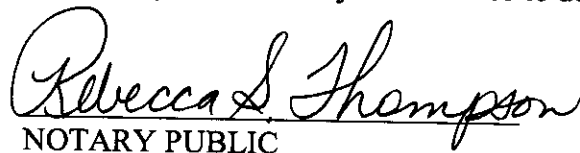
situated in Section 32, Township 2 South, Range 9 West, DeSoto County, Mississippi as stated in the Declaration recorded in Deed Book 284 at page 224 of the land deed records of DeSoto County, Mississippi;

IN WITNESS WHEREOF, this Amendment has been executed on this the 9th day of August, 2006.


HIGHLAND DEVELOPMENT, LLC
By: Neil Burckart
Title: President and Member

STATE OF MISSISSIPPI
COUNTY OF DESOTO

Personally appeared before me, the undersigned authority in and for the said County and State, on this the 9th day of August, 2006, within my jurisdiction, the within named Neil Burckart, who acknowledged that he is President and Member of HIGHLAND DEVELOPMENT, LLC, a Mississippi limited liability company, and that for and on behalf of the said LLC, and as its act and deed he executed the above and foregoing instrument, after first having been duly authorized by said LLC so to do.


NOTARY PUBLIC



My Commission Expires: 4-26-2009